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March 7, 2014

Ms. Marlene Dortch
Secretary
Federal Communications Commission
Washington, D.C.

RE: Rural Broadband Experiment Expression of Interest in Rate of Return Area, WC Docket No. 10-90

Mid-Rivers Telephone Cooperative, Inc., d/b/a Mid-Rivers Communications, hereby indicates interest in applying for Connect America Fund (CAF) support to extend broadband services to unserved customers in certain portions of our Rate of Return service area.

Nature of Submitting Entity

Mid-Rivers Telephone Cooperative is the Incumbent Local Exchange Carrier (ILEC) and a certified Eligible Telecommunications Carrier (ETC) in the proposed service areas identified in this Expression of Interest. Mid-Rivers has served rural Eastern Montana since 1952.

Identification of Proposed Service Area

We propose to serve unserved Rate of Return locations within eligible unserved census blocks in the following Census Tracts:

30011000300	30055954000	30083070200
30025000100	30069000100	30109000100
30033000100	30079000100	

Approximately 580 currently unserved locations (where no 3M/768K broadband is currently available) could be served by the proposed project, covering nearly 7,000 square miles of remote, rural Eastern Montana. This includes one rural school that currently lacks access to 3M/768K broadband service. Most locations served would be residential, but include several farm and ranch businesses which are the economic backbone of these areas.

Broadband Technology to be Deployed

Mid-Rivers proposes two different approaches to make the most efficient use of existing facilities available in these unserved areas. In locations where existing Remote Subscriber Terminals (RSTs) are in place but not yet capable of providing 3M/768K broadband, we propose to upgrade 20 RST locations with new equipment capable of providing greater than the Federal Communications Commission's

stated minimum broadband speeds. The outdated narrowband Digital Subscriber Line (DSL) shelves at these RST locations would be replaced with new DSL shelves capable of Asymmetric DSL (ADSL) and Very-high-bit-rate (VDSL) interfaces, offering speeds of 5M to 12M downstream and 768K to 1M upstream (depending on the subscriber's distance from the RST).

In areas where we have used fixed wireless technology over 700 MHz spectrum to provide up to 1.5M downstream broadband speeds in the past, we propose to upgrade the existing fixed wireless Customer Premise Equipment (CPE) and purchase the necessary licensing to upgrade the broadband speeds available in these areas. Tower site equipment has already been purchased and installed that is capable of providing fixed wireless service at Long Term Evolution (LTE) speeds over 700 MHz spectrum owned by Mid-Rivers, and an agreement for Core LTE services is in place. However, to offer services commercially, we will need to purchase additional licenses and change out the CPE at each customer's location. These would be the first customers in our service area provided with broadband over the new fixed LTE technology.

Though it is not included in this Expression of Interest, we are also working on a Fiber to the Premise (FTTP) design for some of our remaining unserved rural areas, where options such as these RST upgrades and fixed wireless may not be available or may not be a more cost-effective option due to a lack of existing facilities to be leveraged. Due to the time constraints and the need to evaluate the provisioning of broadband via multiple technologies, and also due to uncertainty regarding the Commission's inclination to award funding for extremely high-cost projects outside of the CAF Cost Model benchmarks, we are not ready to submit an FTTP proposal at this time but may consider doing so in the future.

Contemplated Service Offerings

In the areas to be served with upgraded DSL speeds, voice services will continue to be provided to customers over the existing plant in place at existing tariffed rates, and as part of a multi-year upgrade plan will be transitioned from a legacy telephone switch to our IP Softswitch platform. Broadband offerings will include 12M/1M, 8M/1M and 5M/1M. We are currently testing an IP video solution that could provide several channels of television programming combined with a Video on Demand (VOD) offering. If broadband speeds can be updated as proposed, customers in these areas would have sufficient broadband capability to utilize this video offering when it is ready to be offered commercially.

For areas proposed to be served with fixed wireless LTE technology, voice services will be provided using a proven Voice over LTE (VoLTE) solution through our existing Softswitch. This service is tested and operational over other broadband technologies in our network today and does support Enhanced 911 (E-911) services (unlike some Voice over IP solutions). Voice services will continue to be offered at tariffed local service rates. Broadband offerings will include 20M/2M, 12M/1M, and 8M/1M.

Subscribers to these broadband tiers would also have sufficient bandwidth to utilize the IP video offering being contemplated.

State and/or Tribal Government Participation

We are confident that at least some of the facilities and services upgraded through this proposal could be leveraged by the State and other governmental units to provide improved public safety communications in these very rural areas of Montana. Mid-Rivers is committed to pursuing public/private partnerships to address the rural communications needs of local, State and Federal entities through efforts such as FirstNet.

Funding Requested

One-time support of approximately \$575,000 would be requested for this upgrade project. Mid-Rivers would contribute the financial resources necessary to fund the balance of the project costs (approximately \$64,000) and would provide labor to complete the projects, in addition to the existing facilities to be leveraged such as tower sites, tower equipment, spectrum, fiber to RST's, and core switching resources.

While we do have remaining unserved high-cost areas that are not included in this project, our goal was to design a proposal utilizing a wide range of technologies to deploy higher-bandwidth services to remote rural areas in the most targeted and efficient means possible, taking into consideration the funding guidelines set forth by the CAF Cost Model. We may also contemplate future Expressions of Interest in projects to bring scalable, robust broadband services to our remaining unserved areas, after we have further reviewed the options and costs for serving those areas.

Support for this project at the level requested would allow us to expedite these upgrades, which may not otherwise be possible for several years. As a member-owned cooperative that remains highly committed to upholding the concept of universal service, Mid-Rivers appreciates the opportunity to submit this non-binding expression of interest.



BILL WADE
General Manager